HOUSE CONCURRENT RESOLUTION

REQUESTING HAWAII'S CONGRESSIONAL DELEGATION TO PROPOSE

AMENDMENTS TO THE AIRLINE DEREGULATION ACT TO EXEMPT HAWAII
FROM THE UNITED STATES' PREEMPTION OF STATE ECONOMIC
REGULATION OF INTERSTATE AIR TRANSPORTATION.

WHEREAS, the Federal Aviation Administration has exclusive responsibility for the safe and efficient management of the navigable air space of the United States pursuant to the Federal Aviation Act; and

WHEREAS, the United States Congress deregulated domestic air transportation pursuant to enactment of the Airline Deregulation Act of 1978 (Public Law No. 95-504); and

WHEREAS, the Airline Deregulation Act of 1978 amended the Federal Aviation Act to prohibit states, political subdivisions of a state, or political authority of at least two states from enacting or enforcing a law, regulation, or other provision having the force and effect of law related to the price, route, or service of an air carrier providing interstate air transportation, including foreign air transportation, interstate air transportation, or the transportation of mail by aircraft; and

WHEREAS, the rationale of the Airline Deregulation Act of 1978 was to allow competitive market forces to promote efficiency, encourage innovation, and drive down prices as well as increase the variety and quality of air transportation services (Morales v. Trans World Airlines, Inc. 504, U.S. 374 (1992)); and

WHEREAS, the *Morales* opinion adopted the standard that state enforcement actions having a connection with or reference to airline rates, routes, or services are pre-empted; and

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WHEREAS, Alaska was specifically granted, in statute, an exemption from the Airline Deregulation Act under title 49 4 United States Code section 41713, which provides in part that the federal preemption provisions of the Act do not apply to air transportation provided entirely in Alaska; and

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WHEREAS, Hawaii should have the ability to regulate the price, route, or service of an air carrier for the portion of service providing transportation entirely within Hawaii, which requires a statutory exemption similar to Alaska; and

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WHEREAS, Hawaii needs such an exemption to ensure that stable and continuing air service is accessible to all areas of the State, particularly the small, rural airports; and

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WHEREAS, Hawaii is unique among all the states because Hawaii is an island state in which air transportation is often the only practical form of intrastate transportation, and Hawaii residents fly frequently among the islands to visit family and friends; and

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WHEREAS, Hawaii has only one major interisland air carrier that has no formidable competition; therefore, regulation of interstate air transportation is necessary to limit monopoly pricing and ensure service to less profitable routes; now, therefore.

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BE IT RESOLVED by the House of Representatives of the Twenty-eighth Legislature of the State of Hawaii, Regular Session of 2015, the Senate Concurring, that Hawaii's congressional delegation is requested to propose amendments to the Airline Deregulation Act to exempt Hawaii from the United States' preemption of state economic regulation of interstate air transportation; and

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BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to Hawaii's congressional delegation.

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OFFERED BY: Nivle F. L

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